

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of an Agreement Concerning Certain Generation Assets Known As "Contra Costa 8" Pursuant to A Settlement and Release of Claims Agreement Approved by the Commission on January 14, 2005, for Authority to Recommence Construction, and for Adoption of Cost Recovery and Ratemaking Mechanisms Related to the Acquisition, Completion, and Operation of the Assets.

(U 39 E)

Application 05-06-029
(Filed June 17, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING CARE'S REQUEST FOR CLARIFICATION OF PG&E'S
APPLICATION 05-06-029**

On June 17, 2005, Pacific Gas and Electric Company (PG&E) filed an application seeking Commission approval of the Contra Costa 8 project, which is part of the Federal Energy Regulatory Commission's (FERC) Mirant Settlement. On June 20, 2005, CALifornians for Renewable Energy, Inc. (CARE) filed a request for clarification of PG&E's application on whether this application proceeding was the appropriate forum for CARE's petition for a pass through of refunds received by PG&E and the California Department of Water Resources (DWR) as a result of a FERC approved settlement.

On June 28, 2005, PG&E responded to CARE's motion. In summary, PG&E answered CARE's question: "the issue of the use of proceeds that PG&E

receives from energy supplier refunds is governed by CPUC-approved tariffs and CPUC decisions, notably Ordering Paragraphs 4 and 5 of Decision 04-11-014, which require that such energy supplier refunds be refunded directly to customers via the Energy Recovery Bond Balancing Account or be used to reduce the size of the second series of Energy Recovery Bonds PG&E expects to issue later this year.”¹

In the absence of further responses from CARE or any other party, this ruling adopts PG&E’s explanation as a response to CARE’s motion and no further ruling will issue on the subject.

IT IS RULED that the explanation provided by Pacific Gas and Electric Company to CALifornians for Renewable Energy, Inc.’s request for clarification as set forth above is deemed a sufficient response to the request and no further ruling will issue on the subject.

Dated July 18, 2005, at San Francisco, California.

/s/ CAROL A. BROWN

Carol A. Brown
Administrative Law Judge

¹ PG&E response, June 28, 2005, p. 2.

CERTIFICATE OF SERVICE

I certify that I have by electronic mail to those who provided electronic mail addresses, and by U.S. mail to those who did not provide e-mail addresses, this day served a true copy of the original certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding CARE's Request for Clarification of PG&E's Application 05-06-029 on all parties of record in this proceeding or their attorneys of record.

Dated July 18, 2005, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.